U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, DC 20410-2000



FAIR HOUSING AND EQUAL OPPORTUNITY

March 4, 2013

Dear Fair Housing Initiatives Program Grantee,

As you are likely aware, due to the inability of Congress to pass legislation for balanced deficit reduction to avoid sequestration, the President was required by law to issue a sequestration order on March 1 canceling approximately \$85 billion of budgetary resources across the Federal government for the remainder of the Federal fiscal year. You are an important partner with the Department of Housing and Urban Development and we want to provide you with timely and clear information about how these avoidable but now required budget cuts severely affect the Department, our programs, our partners and all the people we serve.

The Department is taking every step to mitigate the effects of these cuts, but based on our initial analysis, sequestration could cut more than \$2 million from the budget for the Fair Housing Initiatives Program. This may require the Department to award fewer or smaller grants that you and others use to educate community members about fair housing rights and responsibilities and serve as real partners to enforce fair housing and fair lending protections.

As we receive additional information on the Fiscal Year 2013 appropriations, we will keep you updated on the effect of these cuts to the Fair Housing Initiatives Program.

I want to thank you for your continued partnership with HUD and your cooperation as we work together to manage these unfortunate circumstances and serve the American people.

Sincerely,

John Trasviña

Assistant Secretary for Fair Housing

and Equal Opportunity